

SUBCOMMITTEE NO. 2

Agenda

Byron Sher, Chair
Sheila Kuehl
Bruce McPherson



Thursday, April 29, 2004
Upon Adjournment of Session
Room 112

Outcomes

Resources Bond Proposal

1. Overview of Resources Bond Proposal—Informational Issue

- *Action.* No action taken.

0540 Secretary for Resources

1. April Finance Letter—Bond Proposal

- *Action.* Held open, pending reorganization proposal.

2. River Parkways and Sierra Nevada Cascade Programs

- *Action.* Delete the funding for the River Parkways and Sierra Nevada Cascade programs from the budget and develop trailer bill language with the funding and program criteria.

Resources—Environmental Protection—Public Safety—Energy

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- *Vote.* 2-0 (McPherson)

3. Bond Funds for Private Water Agencies

- *Action.* Request LAO to provide background information on awarding bond funds to private water agencies prior to the Subcommittee's hearing on the May Revise.

4. Prevailing Wage—Informational Issue

- *Action.* No action taken.

5. Tidelands Oil Issue (Not on the Agenda)

- *Action.* Hold open 3640-401 language that sweeps Tidelands Oil Revenues (Resources Trust Fund) into the General Fund instead of being used on resources-related activities as directed by statute.

State Conservancies

1. Conservancy Support Funding

- *Action.* Approve as budgeted support budgets for all of the conservancies.
- *Vote.* 2-0 (McPherson)

2. April Finance Letters—Bond Funding

- *Action.* Approve as budgeted April finance letters (all funds) for all of the conservancies, except Santa Monica Mountains Conservancy (SMMC). Augment SMMC budget by \$22.1 million (\$9.7 million Proposition 50 and \$12.4 million Proposition 40).
- *Vote.* 2-0 (McPherson)

3. State Coastal Conservancy—Reappropriate Prop 12—Laguna Coast Wilderness Park (not on the agenda)

- *Action.* Adopt the following language to reappropriate unspent Proposition 12 funds for the Laguna Coast Wilderness Park:
- *Vote.* 2-0 (McPherson)

3340 California Conservation Corps

1. April Finance Letter—Bond Funds Only

- *Action.* Held Open.
- *Vote.*

3460 Colorado River Board

- *Action.* Approve as budgeted.
- *Vote.* 2-0 (McPherson)

3480 Department of Conservation

1. April Finance Letter—Bond Funds Only

- *Action.* Approve April finance letter (resources bond funds only).
- *Vote.* 2-0 (McPherson)

3540 Department of Forestry and Fire Protection

1. April Finance Letter—Bond Funds Only—Informational Display

- *Action.* No action taken.

2. Proposed Fuel Reduction Activities Pose Funding Opportunity for California Conservation Corps

- *Action.* Approved April finance letter (resources bond funds only) and adopt trailer bill language that: (1) requires CDF to utilize the California Conservation Corps for 50 percent of its proposed fuel reduction activities, (2) utilize a portion of Workforce Investment Act funds for training corpsmembers for fuel reduction activities, and (3) restricts funds from being spent on the program timberlands EIR.
- *Vote.* 2-0 (McPherson)

3600 Department of Fish and Game

1. April Finance Letter—Bond Funds Only

- *Action.* Approve April finance letter (resources bond funds only).
- *Vote.* 2-0 (McPherson)

3640 Wildlife Conservation Board

1. Forthcoming Land Acquisitions—Informational Issue

- *Action.* No action taken.

2. Suspend Natural Heritage Preservation Tax Credit Program

- **Action.** Adopt trailer bill language to suspend the tax credit in the budget year and extend the credit for three years beyond 2004-05.
- **Vote.** 2-0 (McPherson)

3. April Finance Letter—Bond Proposal

- **Action.** Approve April finance letter (resources bond funds only)
- **Vote.** 2-0 (McPherson)

3790 Department of Parks and Recreation

1. April Finance Letter—Bond Funds Only

- **Action.** Approve April finance letter and capital outlay April finance letter (resources bond funds only).
- **Vote.** 2-0 (McPherson)

3840 Delta Protection Commission

1. Funding the Commission

- **Action.** Approve as budgeted.
- **Vote.** 2-0 (McPherson)

3860 Department of Water Resources

1. April Finance Letter—Excluding Bond Funds—Informational Display

- **Action.** No action taken.

2. Colorado River Management Account

- **Action.** Deny budget change proposal to transfer \$16.1 million General Fund to the Colorado River Management Account, thereby deferring this transfer (\$16.1 million General Fund savings).
- **Vote.** 2-0 (McPherson)

3. Funding Flood Management

- **Action.** Hold flood management budget open pending receipt of white paper on dealing with potential liability created by the Paterno decision.

4. State Maintenance Areas

- **Action.** Approve April finance letter proposal on state maintenance areas, including proposed trailer bill language.
- **Vote.** 2-0 (McPherson)

5. Watermaster Service Program

- **Action.** Approve April finance letter proposal on Watermaster Service Program, including proposed trailer bill language.
- **Vote.** 2-0 (McPherson)

6. April Finance Letter—Bond Proposal—Informational Display

- **Action.** No action taken.

7. Bond Fund Program Support

Action. Withhold action on the department's bond proposal and direct the department to provide information to the subcommittee before the May Revision meeting of this subcommittee on proposed staffing levels for each bond funded program, along with information on the bond-funded positions eliminated as part of Control Section 4.10 reductions.

8. Integrated Regional Water Management Program

- **Action.** Hold issue open pending staff review of draft criteria for program.

9. Environmental Water Account—Informational Issue

- **Action.** Request department respond in writing to questions on page 39 of the agenda prior to the May Revision meeting of this subcommittee.

3870 California Bay-Delta Authority

1. CALFED Bay-Delta Program Funding—Informational Display

- **Action.** No action taken.

2. CALFED User Fee

- **Action.** Direct staff to develop a trailer bill to implement a broad-based user fee to support the CALFED program. The trailer bill should also include adoption of the beneficiary pay principle as state policy for funding the CALFED program. The trailer bill should utilize the draft options report as guidance and use the following language as a starting point:

It is the intent of the Legislature that water users that benefit from the implementation of the CalFed Record of Decision and the Bay-Delta Program shall be responsible for

funding one half of the non-federal portion of those costs that provide general and shared benefits to users and to the public. This funding shall be in addition to costs that are charged to direct and identifiable beneficiaries of specific projects and programs.

79425. (a) The authority shall collect a fee annually from those agencies and persons diverting water from the Bay-Delta watershed, in an amount that is equal to one half of the State CalFed Budget as defined in paragraph (c). These fees shall be adjusted to reflect any fees paid in the same year under other provisions of law or agreements if the authority finds that the revenues of those fees are applied to appropriate Bay-Delta Program activities.

(b) The fee imposed by this section shall be in proportion to the amount of water diverted except that the authority may develop an alternative formula that sets minimum diversion amount, and establishes such other criteria as are necessary for the effective and equitable implementation of this section.

(c) For the purpose of this section “State CalFed Budget” means the total amount of funds provided each year to the authority and the implementing agencies to achieve balanced implementation of the program’s goals and objectives, including revenues from the fees identified in paragraph (a), but excluding federal funds, local agency cost share of projects, and costs charged to direct beneficiaries for projects implemented pursuant to this chapter.

(d) The Board shall transmit funds collected pursuant to this section, after deducting reasonable administrative costs, to the appropriate implementing agencies for expenditure.

- **Vote.** 2-0 (McPherson)

3. Adoption of the Beneficiary Pays Principle

- **Action.** See action above.

4. CALFED Science Program

- **Action.** Adopt supplemental report language that requests a summary of how the CALFED Science program is addressing the issue of how much water is needed to restore fisheries.
- **Vote.** 2-0 (McPherson)

5. CALFED Watershed Grant Process—Informational Issue

- **Action.** No action taken.

6. April Finance Letter—Bond Proposal

- **Action.** Approve April finance letter (resources bond funds only).
- **Vote.** 2-0 (McPherson)

3940 State Water Resources Control Board

1. April Finance Letter—Bond Funds Only

- **Action.** Hold issue open pending receipt of additional information on improvements made in the board's grant process.